SERBIA

PREFACE

A visit to Serbia places one in the center of the Balkans, the 20th century's tinderbox of Europe, where two wars were fought as prelude to World War I and where the last decade of the century witnessed Europe's bloodiest conflict since World War II. Serbia chose democracy in the waning days before the 21st century formally dawned and is steadily transforming an open, democratic, free-market society.

Serbia offers a countryside that is beautiful and diverse. The country's infrastructure, though over-burdened, is European. The general reaction of the local population is genuinely one of welcome. The local population is warm and focused on the future; assuming their rightful place in Europe.

AREA, GEOGRAPHY, AND CLIMATE

Serbia is located in the central part of the Balkan Peninsula and occupies 77,474square kilometers, an area slightly smaller than South Carolina. It borders Montenegro, Croatia and Bosnia-Herzegovina to the west, Hungary to the north, Romania and Bulgaria to the east, and Albania, Macedonia, and Kosovo to the south. Serbia's many waterway, road, rail, and telecommunications networks link Europe with Asia at a strategic intersection in southeastern Europe. Endowed with natural beauty, Serbia is rich in varied topography and climate.

Three navigable rivers pass through Serbia: the Danube, Sava, and Tisa. The longest is the Danube, which flows for 588 of its 2,857-kilometer course through Serbia and meanders around the capital, Belgrade, on its way to Romania and the Black Sea.

The fertile flatlands of the Panonian Plain distinguish Serbia's northern countryside, while the east flaunts dramatic limestone ranges and basins. Three mountain ranges, the Rodope, Carpatho-Balkan, and Dinaric meet in the south of Serbia. Mount Djeravica (2,656m/8,714ft) is the highest point in the country. Belgrade is hilly and sits at an average elevation of 116.75 m/383 ft above sea level.

Serbia is renowned for its greenery. In Belgrade alone, 182 trees are listed as natural monuments and protected by law. Such green treasures cover an area of over 4,000 hectares (10,000 acres) in the capital city which includes many parks. Forests in the outskirts of Belgrade are home to dozens of rare bird species along with other exceptional flora and fauna.

A continental climate predominates in Serbia with cold winters and warm summers. Belgrade's climate is moderate continental with four, distinct seasons. Autumn is longer than spring, with lengthy sunny and warm periods. Winter is not particularly harsh, and averages 21 days with below freezing temperatures. January is the coldest month of the year with an average temperature of -0.2 deg C/31.6 deg F. Spring is rather short and rainy. Summer starts abruptly. The average daily temperature in the hottest month of July is 34.2 deg C/93 deg F, but it is not

uncommon for highs to reach the upper 30s and lower 40s Celsius (90s, 100s Fahrenheit) in the summertime. Average humidity is 70 percent.

Belgrade has a characteristic southeastern and eastern wind called "kosava," which brings fair and dry weather. It is most frequent in the fall and winter, lasting for 2-3 days. The average kosava wind speed is 25-43 km/h.

The capital has an annual average of 139 days with precipitation, including 27 days of snow. The most intense precipitation occurs in May and June, when day-long rains are most frequent. February is the driest month. The annual average precipitation is 701 mm / 27.6 inches.

POPULATION

Serbia is a multi-ethnic, multi-lingual, and multi-confessional community. Twenty-six national minorities make up one third of its total 9.37 million inhabitants (2002 est). National ethnic composition is 66% Serbian, 17% Albanian, 3.5% Hungarian, and 13.5% other minorities, including Bosniaks, Montenegrins, Turks, Croats, Bulgarians, Hungarians, and a large Roma population.

Serbian is the official language, and Serbian speakers use both the Latin and Cyrillic alphabets. The two dialects of Serbian spoken in Serbia, "ekavski" and "ijekavski," are officially recognized and accepted. In regions of Serbia where national minorities reside, their languages and script are used officially, in accordance with relevant laws. English is a popular second language and is widely used and understood.

Fifty-five percent of Serbia's population lives in urban areas. Belgrade is the principal urban center, with 1.6 million residents. Serbia's other major cities are Novi Sad (300,000), NiS (250,000), and Kragujevac (193,000). The literacy rate is 93%. Life expectancy for men is 70.6 years and 76.7 years for women.

Orthodox Christianity is the predominant religion in Serbia and the peoples of Serbia have strong historical traditions practicing this faith. Islam is prevalent among Albanians, Bosniaks, and some other minorities. There are small communities of Catholics, Protestants, and Jews. Ornate mosques, synagogues, cathedrals, and churches, many of which date back hundreds of years, bejewel Serbia.

PUBLIC INSTITUTIONS

The Republic of Serbia, commonly called Serbia, was one of six republics that made up the country of Yugoslavia before its dissolution in 1990's. By February 2003, Serbia and Montenegro were the remaining two republics of the rump of Yugoslavia, forming a loose federation. In 2006, Montenegro broke away from Serbia, declaring independence following a public referendum.

The Republic of Serbia is a democratic state comprising Serbia proper and two autonomous provinces: Vojvodina and Kosovo (the latter declared independence in February 2008). Serbia's

capital, Belgrade, with a population of 1.6 million, is the country's administrative, economic, and cultural center.

The Constitution

The break-up of the Serbia and Montenegro State Union necessitated adoption of a new constitution, and Serbia's Parliament proclaimed the Constitution in effect on November 8, 2006, following a public referendum.

Parliament

The January 21, 2007 parliamentary elections returned a majority of seats to democratic parties but saw the ultra-nationalist Serbian Radical Party (SRS) make the strongest individual showing (81 of 250 total seats). Democratic bloc winners included Boris Tadic's Democratic Party (DS - 64 seats), Vojislav Kostunica's Democratic Party of Serbia in coalition with the New Serbia (DSS/NS - 47 seats), and Mladjan Dinkic's G-17+ (19 seats). Turnout for the election itself was high and led to some parties unexpectedly gaining seats. Notably both the Socialist Party (SPS), formerly headed by Slobodan Milosevic, and a reformist coalition of small parties led by the Liberal Democratic Party crossed the threshold (5 percent of the total votes cast) and secured seats in parliament. Four minority groups, representing Hungarians, Bosniaks, Roma, and, for the first time in over a decade, Albanians from Southern Serbia gained seats. The current governing coalition is made up of DS, DSS/NS, and G-17 Plus.

The Executive Branch

The executive branch is composed of a president (Boris Tadic), a prime minister (Mirko Cvetkovic), and a government of 24 ministers. The president is elected by a direct vote to a five-year term of office. The Prime Minister is an appointed position decided upon jointly by the ruling coalition and confirmed by a majority in a parliament. The prime minister appoints the cabinet ministers, generally filling the positions with members of the ruling coalition parties, roughly in accordance with the percent of the vote each party won.

The Legislative Branch

The legislative branch is a unicameral parliament called the National Assembly. The Assembly's 250 deputies are elected by direct vote, through a proportional or party list system, in which the percentage of votes a party receives determines the number of seats it holds in the assembly. Parties select Assembly deputies from their party list to serve four-year terms.

The Judiciary

Serbia's legal system is based on Roman laws and codices from the Austro-Hungarian legal system that does not use a system of precedents. There is a constitutional court, a supreme court (to become a court of cassation, under the new constitution), appellate courts, district courts, and municipal courts.

ARTS, SCIENCE, AND EDUCATION

Serbian monasteries and churches, established between 10th and 17th century, are scattered around the country and represent invaluable heritage of Serbian culture and tradition. For more information, check (http://www.serbia-

tourism.org/srpski/main.php?naziv=Culture&dat=kultura e&poc=uvo).

Serbia has 134 museums that showcase numerous artistic, scientific, historical and ethnographical objects.

The National Museum in Belgrade, founded in 1844, contains four collections - prehistoric, mediaeval, recent Serbian art and foreign painting - with 290,000 catalogued objects. (http://en.narodnimuzej.rs)

The *Museum of Contemporary Art, Belgrade* holds the biggest regional collection of art produced in the former Yugoslavia since 1900. (http://www.msub.org.rs/en)

The *Ethnographic Museum* in Belgrade showcases the pattern of traditional rural and urban culture in the Balkans. (http://www.etnografskimuzej.rs)

The *Museum of Applied Art-Belgrade*, holds a collection of more than 3,000 artifacts such as icons, furniture, jewelry, manuscripts, etc. (http://mpu.rs)

Kombank Arena, the modern multipurpose venue for sports and cultural events: http://www.kombankarena.rs

In Belgrade there are also numerous art galleries displaying art works of local and foreign artists, such as:

Remont Gallery: http://www.remont.net
Chaos Gallery: http://www.gallerychaos.com
Kontekst Gallery: http://www.kontekst.rs
Ozone Gallery: http://www.o3one.rs

Kolarac Concert Hall: http://www.kolarac.rs Sava Centar: http://www.savacentar.net

The National Theater: http://www.narodnopozoriste.co.rs

Belgrade also hosts various festivals.

Since its foundation in 1967, *Belgrade International Theater Festival (BITEF)* has hosted modern and avant-garde theater and dance performances.

Belgrade Music Festival (BEMUS) was established in 1969, and has brought numerous prominent composers and musicians from abroad to the local audiences.

The *International Belgrade Film Festival (FEST)*, which was founded in 1971, shows the latest fiction movies from the country and abroad.

The Belgrade Dance Festival, taking place every April, presents dance companies from all over the world. Among the most famous music festivals taking place in Serbia are certainly the EXIT festival in Novi Sad and the Dragacevo Trumpet Festival in Guca.

Kolarac Concert Hall (http://www.kolarac.co.yu/html/koncerti.html) and Sava Center (http://www.savacentar.com/eng/index.jsp?lang=en) host numerous concerts ranging from classical music and jazz to pop and rock.

There are 45 professional theaters in the country, and numerous amateur theaters. The National Theater (http://www.narodnopozoriste.co.yu/cms_eng/) in Belgrade, one of the most significant cultural institutions in the country, hosts three ensembles, drama, opera and ballet. Terazije Theater is the only musical theater in the country featuring musicals such as Chicago and Cabaret. Belgrade Drama Theater, Yugoslav Drama Theater, Zvezdara Teatar, and many other smaller theaters present works of local and foreign playwrights in Serbian.

Belgrade is known for its intensive night life - restaurants, vibrant club scene, boats and rafts along the banks of Sava and Danube. A quote from CNN Traveler: "It is a city where you can dance until sunrise seven nights a week, where hospitality crackles in the air, and where looking good is a birthright and a religion in one".

COMMERCE AND INDUSTRY

Serbia is one of 6 republics that formerly comprised Yugoslavia. Serbia is still the largest by population, but it lags economically behind Slovenia and Croatia. Nevertheless, after enduring international sanctions that isolated the country in the 1990s, Serbia has set a new course for itself. Serbia's reaction to Kosovo's declaration of independence in February, 2008 contributes to an uncertainty that influences a stagnation in Serbia's economic transition.

That is not to say that the Serbian government has not embarked on a reform program and a process of reintegration into European and global markets. Nevertheless, Serbia is a country-intransition. GDP growth was between 6 and 7 percent annually between 2005-2007. Inflation has decreased substantially from the Milosevic-era to around 8% in 2007. Unemployment remains high. The national average is 20.6%. The number is much lower in Belgrade and much higher in the economically depressed areas of southern Serbia.

The Serbian governments faces the same transition challenges that other countries in Central Europe encountered in the early to mid-1990s. Serbia's recent history, however, has created the special challenge for the government to bring to the surface the black market economy and create a transparent legal/regulatory framework for a market-oriented economy. The main features of the reform programs have been: reduction in fiscal profligacy and implementation of budgetary controls; tight monetary policy to stabilize exchange rate and reduce inflation; bank restructuring and financial sector reform; acceleration of privatization programs and the attraction of foreign strategic investors; amendments to restrictive laws in order to stimulate private sector activity; market liberalization to encourage trade and investment.

Although on the macro-level, there has been major progress in realigning policies and establishing the solid foundations for a transparent market economy, the benefits have been slow to materialize for the average citizen. The standard of living is still low for citizens who have seen continued economic growth as the Serbian government has focused on political issues, such as Kosovo. Moreover, Serbians, especially those in Belgrade, typically pay 20% to

40% more for retail and consumer products than consumers in other Eastern European countries and even some Western European countries. While Kosovo dominates the headlines, the economy is the number one issue among many of Serbia's citizens. Increasingly, there is pressure on the government to deliver results.

Future Economic Development of Serbia

Serbia is traditionally strong in the agriculture, mining, construction and heavy industrial sectors. However, light industry and the financial services sector are fast gaining ground. The government has made substantial progress in restructuring and privatizing large state owed companies. For example, large U.S. investors such as US Steel, Philip Morris, and Ball Packaging have staked a claim in Serbia either through privatization efforts or 'greenfield' investment. There is still work to be done on several large state-owned enterprises such as Zastava (automotive), JAT (airline), NIS (oil and gas), EPS (electricity), etc. These politically sensitive firms are moving at different speeds through the privatization process and each requires separate legislation to be passed by the Serbian Parliament. The Serbian Government is actively focusing on Small Medium Enterprise (SME) development with the assistance of the European Union. USAID is very active in Serbia and has also provided substantial support on the economic development of SMEs in Serbia. New private companies are evolving and for the most part are well-managed and competitive.

Foreign Investor Interest

Not only are new private Serbian companies starting businesses, but many U.S. and multinational companies have entered the market. More promising is the fact that even given the current political uncertainty about Kosovo, foreign companies are still starting operations in Serbia or are researching the market. It stands to reason that once Kosovo is resolved and any resulting tensions are eased, Serbia is ripe for a commercial boom. With the political stabilization of Serbia, for the first time investors are likely to more closely and seriously investigate opportunities in Southeast Europe using Serbia as a base of operations. Serbia should continue to attract significant foreign capital as it is one of the largest markets in the SEE and it has the unique distinction of having a free trade agreement with Russia.

Leading investor nations in Serbia include Austria, Germany, Greece, Italy, Norway, and the United States. There is rising interest from countries within the region such as Croatia, Hungary and Slovenia. Greece's OTE and Telecom Italia together hold 49% of Telekom Srbija. Cement companies were sold early in the process of privatization to strategic partners from France, Greece and Switzerland. France's Michelin entered into a joint venture with a local tire producer. Belgium's Interbrew took a minority stake in Serbia's Apatinska Brewery. The banking sector has already attracted investment from

Raifeissen (Austria), HypoVereinsank (Germany) and Societe Generale (France).

Integration Efforts

Isolated throughout the 1990s, Serbia moved quickly to integrate itself into global and Euro-Atlantic institutions. Then-Yugoslavia immediately joined the EBRD, IMF and World Bank. Serbia is a member of the Central Europe Free Trade Agreement (CEFTA) with: Albania, Bosnia and Herzegovina, Croatia, Macedonia, Moldova, Montenegro, and UNMIK on behalf of Kosovo. As

mentioned, Serbia is the only European country with a partial free trade arrangement with Russia. Serbia is well on its way to EU integration following its initialing of the Stabilization and Association Agreement in November 2007. Already, Serbia receives substantial assistance from the EU and the member states. On the other hand, while Serbia initiated its accession process to the World Trade Organization (WTO) in February 2002, they still have not completed the accession process.

Bilateral Economic/Commercial Relations

During the last few years, there has been a progressive expansion and broadening of bilateral commercial/economic relations. The political changes in 2000 precipitated a new chapter in the development of bilateral relations. In total, the USG has provided over \$500 million in direct assistance to Serbia in recent years; in 2007, annual assistance will exceed \$50 million. U.S. assistance will focus on democracy-building, economic growth and capacity-building, community revitalization, and public diplomacy programs and exchanges.

A new framework for bilateral economic cooperation emerged in the post-Milosevic era. In July 2001, the Overseas Private Investment Corporation signed a bilateral agreement with the Federal Republic of Yugoslavia, opening the programs of this U.S. Government agency. In March 2002, the U.S. Trade & Development Agency (TDA) started operations. The U.S. Export-Import Bank provides public and private sector coverage in Serbia. In October 2002, the U.S. Congress restored Normal Trade Relations (most-favored nation status) to then-Yugoslavia. This opened U.S. markets to exports from Serbia and provided further impetus to reestablish trading partnerships among companies. These events form the basis for the evolving bilateral relationship to underpin increasing American commercial interest in Serbia. In fall 2002, the American Chamber of Commerce was launched with 22 founders; membership now stands at more than 120. U.S. companies are participating in the privatization of important companies.

TRANSPORTATION

The main roads and highways in Serbia are in fair condition. The main highways linking Belgrade with Hungary and the second highway running from Croatia to the North and toward Macedonia to the South are mostly four-lane, although construction has not been completed in the south. The road near the border of Serbia and Macedonia is currently a paved two-lane road.

Clearing of snow and ice from roads during the winter months is similar to U.S. standards; the roads are generally passable throughout the year. Road signs throughout Serbia are similar to those found throughout Europe. The official speed limits in towns and cities are posted and vary ranging from 40 to 60 km per hour. Right-of-way exists for cars coming from the right at traffic circles.

Local Transportation

The downtown area and surrounding suburbs are readily accessible by public transportation or commercial taxis. Traffic is congested and can be chaotic; "fender benders" are common.

Public transportation is inexpensive. Both electric and diesel busses are crowded during the morning and evening rush hours. Generally buses are scheduled to run every 7-10 minutes, but often the wait for a bus is 15-20 minutes. Tickets are required to ride public transportation and may be purchased at news kiosks for a nominal price. Plain-clothes inspectors perform regular spot-checks of riders' tickets, and a fine is levied if an inspector notes that a ticket has not been validated (punched) upon entering the bus or tram.

Taxis are usually metered, safe, reliable, and easy to hire by calling a commercial number, hailing one on the street, or by visiting a taxi stand. However, most do not have seat belts in the rear seats. Most drivers do not speak English. Taxi rates are relatively inexpensive in comparison to rates charged in the U.S. Taxi meter rates are lower during the normal workweek hours but are somewhat higher during the evening hours or on weekends. A small tip is generally expected.

Regional Transportation

Serbia provides air connections to the world via European "gateways" such as Munich, Frankfurt, Vienna, London, Paris, and Zurich, or Moscow for Asian Flights. Belgrade airport is currently served by the following airlines: Aeroflot, Air France, Alitalia, American Airlines (via code-share), Austrian, British Airways, Czech Airways, Delta Airlines (via code-share), Lufthansa, Swiss, and United Airlines (via code-share).

U.S carriers do not operate their own equipment here, but rather service Belgrade via a "code-share" program on a flight operated by another company: American Airlines code-shares with British Airways, Delta Airlines code-shares with Alitalia and Air France, and United Airlines code-shares with Lufthansa and Swiss.

Rail service to all major cities in Serbia is available - south to Nis and north to Novi Sad and Subotica. Rail service from Serbia also connects with major European cities in Austria, Bulgaria, Croatia, Germany, Greece, Hungary, Italy, Macedonia, Montenegro, Romania, Switzerland, and others. Rail service is relatively slow, but inexpensive. Over-night "wagon-lit" sleeper service is also available.

COMMUNICATIONS

Telephones and Telecommunications

Telephone service within Serbia is adequate but subject to extraneous noise, and unexplained disconnections.

Cell phone service is available and reliable.

Internet

Internet service is generally available. Service is available via dial-up, ADSL, and cable TV, and in a variety of pricing plans. Quality of service also varies depending on the location of the residence. Internet connectivity has been described as reliable but slow with occasional disconnects.

Mail

International mail is not reliable; the transit time to and from the U.S. varies and can take from 1 week to 1 month. All international packages are subject to being opened and inspected by the local post office upon arrival in Serbia

Radio and TV

The local television signal is PAL/BG. Thus, if you do not wish to purchase a TV set on the local market, a multi-system TV set is needed. An NTSC-only set will not work. In Belgrade, cable TV is generally (but not always) available; penetration continues to grow. English-language channels available include: CNN, Sky, NBC, MTV Europe, Cartoon Network, MSNBC, Discovery, History Channel, Hallmark, and Animal Planet.

Major Cable TV providers are Serbia Broadband SBB owned by investment fund Mid Europe Partners, and KDS owned by Serbian public company JP PTT Srbija. Monthly fee is approx. \$10 for the basic package.

All urban areas in Belgrade can pick up satellite channels with a satellite dish and a digital receiver which are both available locally. Region-free DVDs are also widely available in local stores.

There are five major privately owned television stations with national TV licenses in Serbia. In May 2006 Republican Broadcasting Agency RBA, awarded national TV licenses to the private operators B92, TV Pink, News Corp's Fox TV, TV Avala and a license share to Kosava-Happy TV. The allocation of frequencies was an attempt to regulate the previously chaotic state of the broadcast media sector where outlets had long operated without licenses. A year after RBA allocated the frequencies, the previously chaotic state of the broadcast media improved. Many unlicensed radio and TV stations went off the air.

Serbian public broadcast system (PBS) is officially divided into JSS (Public Service of Serbia, RTS) and JSV (Public Service of Vojvodina, TV Vojvodina) as of May 2006. This development toward more democratic and open media system marked a transition from state-owned to public broadcasters.

National network, Radio Television of Serbia (RTS), in spite of the serious damage to its technical capabilities caused by NATO bombing and the demonstrations of October 2000, remains the key player in terms of coverage of territory (97% official coverage for RTS1, but 65% is of very good quality). The RTS media group gathers six major activities under the same umbrella: TV and radio broadcasting (2 major TV channels, regional offices, a satellite channel and several radio channels); TV and radio production; transmission; music ensembles and music production. Formerly republic-owned RTS is being transformed into BBC-like Public Broadcasting Service. An obligatory subscription (\$6.5) to RTS is collected through monthly household electricity bills. In terms of audience share, the most popular broadcasters are RTS and B92 for news programs and Pink TV for the entertainment program.

The common denominators for all televisions are American movies and TV series. International TV programs are sub-titled; voice-over is not used. VOA's (Voice of America) news program is broadcast locally. (See: http://www.voanews.com/serbian/tv affiliates.cfm)

RBA also granted five national radio licenses - to B92, Radio Index, Radio S, Roadstar and Radio Focus. A variety of radio programs play a mix of Western popular music and Serbian folk music. The majority of radio stations broadcast on the FM band. The program of Voice of America, Radio Free Europe and Radio Liberty is re-broadcast by a variety of stations. The International Radio Serbia (ex Radio Yugoslavia) broadcasts its program on short waves to all parts of the world in 12 languages: English, French, German, Russian, Spanish, Arabic, Albanian, Greek, Bulgarian, Hungarian, Italian, Chinese, and in Serbian.

Newspapers, Magazines, and Journals

There are eight major dailies in Serbia: Politika, Danas, Vecernje Novosti (highest circulation, approx. 200,000-250,000), Blic, Glas Javnosti, Kurir, Press and Vojvodina-based regional daily Dnevnik. There are several daily tabloids as well.

The most influential, politically and in terms of opinion making, weeklies in Serbia are: NIN, Vreme, Standard, Evropa, Nedeljni Telegraf. There are also dozens of specialized weeklies and monthlies oriented toward various subjects, such as technology, fashion, economy, children, science etc. All press in Serbia, except daily Borba, is privately owned, with or without foreign capital involved (e.g., Politika formed a joint-stock company with German media concern WAZ - Westdeutsche Allgemeine Zeitung, Blic joined Swiss Ringier international newspaper portfolio, etc.).

Many print media outlets rely on three local wire agencies (state subsidized Tanjug, and privately owned BETA and FoNet), as well as international agencies.

Western newspapers and magazines are available in Belgrade and in some larger cities in Serbia (Novi Sad, Nis). Also, there are several English-language bookstores in the center of Belgrade offering fairly wide range of books and periodicals by various publishers (Penguin, Oxford University Press, etc.).

There are several foreign correspondents / bureaus in Belgrade such as Associated Press and Reuters.

HEALTH AND MEDICINE

Medical Facilities

The medical system in the Serbia is experiencing many problems maintaining Western medical standards and must be viewed with caution. Dental care in Belgrade can be good and is economical compared to US and Western Europe.

A locally written prescription may be filled in Belgrade, but not in the U.S. or elsewhere in Europe.

Many medications you may need are not available in Belgrade. Local pharmacies may be able to order medications from other areas of Europe, however, this could be expensive, takes time and advance payment is required.

Community Health

The quality of the drinking water in Belgrade is unknown at this time. Until testing can be performed, reputable bottled water or distillation should be utilized for drinking. Bottled water with an "NSF" label is desirable. This signifies the water source meets standards of the National Sanitation Foundation for water safety.

Fluoride is inadequate in distilled tap and bottled drinking water.

Surface waters (streams, rivers, ponds, lakes, and seashores) are likely to be contaminated with sewage in the Balkan region. Local sewage treatment facilities are antiquated and undersized leading to much raw sewage entering local waterways. Recommendations are to avoid contact with surface waters in the Balkan region.

Fruits and vegetables are usually of good quality and need to be washed with soap and water and rinsed. Meats should be purchased from shops where a high volume of meat sales is expected and refrigeration equipment appears modern and efficient. It is safe to eat locally made yogurts and sour cream from commercial dairies. The local cheeses which are commercially manufactured under supervision and sold in supermarkets are also safe.

Belgrade's air quality can be very poor during the winter months. This is largely due to smog produced by the burning of low-grade coal, although automobile exhaust, cold air inversions and other factors also contribute to the pollution.

General attention to good respiratory hygiene by avoiding common colds (hand washing, cover cough, and stay home when ill, etc.) is of some benefit. Saline nose drops can be made utilizing a solution of one teaspoon of table salt added to one pint of distilled water. Used regularly, these can wash irritating chemicals from the delicate nasal membranes. A small amount of petroleum jelly can be applied to each nostril daily to reduce winter nosebleeds and soothe the anterior nasal passages.

Preventive Measures

Current tetanus, polio, hepatitis A and B, as well as all routine childhood vaccinations are recommended. Annual influenza vaccine is recommended. Protection against ticks and flying insects is recommended.

BELGRADE

Belgrade, the capital of the Republic of Serbia, is located in the east central part of the country at the confluence of the Sava and the Danube Rivers. Altitude is 224 to 830 feet above sea level.

Belgrade has had a settlement since the time of the Celts in the 4th century B.C., although little remains of their culture or of subsequent Roman civilization. Few historical monuments earlier than the late 18th century survive. Minimal evidence of the long period of Turkish domination exists and a few baroque buildings mark the pre-World War I Hapsburg influence. Belgrade thus lacks the atmosphere and old world charm of Eastern European capitals such as Prague and Budapest. Buildings in the center city are gray and somber and alternate with a few modern concrete and glass high-rises.

In spite of the bomb damage from the NATO air strikes and the economic difficulties for Belgrade's people, the downtown has a bustling and lively feeling, especially in summer when parks, tree-lined streets, and numerous sidewalk cafes lend color and charm.

Cultural life is active, although less vibrant and diverse than in the major world centers. Belgraders have a deep interest in art and a long season of opera, ballet, concerts, and drama. The taste for popular music is evident particularly among the young. Belgraders are avid movie goers and many American films are shown in the original version with Serbian subtitles. Many art exhibits are presented by contemporary artists. Several groups of naive (primitive) painters and sculptors work in Serbia today; many have exhibited abroad with considerable success.

Security

The Department of State rates Belgrade's crime threat as high. The rating primarily reflects the activities of organized crime as Serbia is a main trafficking route from the east to Europe. Rival organizations target each other in this competitive market resulting in many acts of violence including assassination by firearms and explosives. From August through November of 2007, Belgrade experienced several vehicle car bombs targeting the heads of criminal organizations. Media and police reported this ongoing war between rival factions. The threat, although directed at rival criminal enterprises, causes collateral injuries to an innocent population. Being in the wrong place at the wrong time and frequenting establishments where these criminal elements also patronize is risky. Restaurants and nightclubs that cater to a younger generation and stay open later at night are the same places that organized criminal elements enjoy.

As in all large cities in the world, street crime occurs. Belgrade does have incidents of street crime including purse snatching and pickpockets. Unlike most large cities Belgrade does not suffer from large scale crime and there are no areas that can be considered high crime areas with the exception of a Roma or Gypsy camp located near the bridge connecting Belgrade to New Belgrade. Burglaries of unoccupied residences occur even in the diplomatic community. Most of these incidents occur while occupants are away from home. Vehicles left unattended or unlocked with items visible from the outside fall victim to crimes of opportunity. The same caution one would take in any city applies to Belgrade.

The current uncertainty which surrounds the issue of Kosovo and the possibility of violent incidents should caution anyone from traveling in the south of Serbia near the Administrative Boarder Line (ABL) with Kosovo. Demonstrations have occurred against U.S. policy regarding the Kosovo issue and it is strongly suggested that you avoid these demonstrations and take alternate routes.

UTILITIES AND EQUIPMENT

Standard electric power is 220 volts/50hertz for lights and outlets. Electric plugs are standard European (SCHUKO) CEE-7 type with 28mm rod contacts. Incandescent lights require a 230volt bulb.

Many new appliances, computers, and audio equipment allow conversion or automatically adapt to 220volts/50hertz; telephones require a small converter. Power outages are infrequent, but power "spikes" occur occasionally.

FOOD

There are a variety of shops and stores in Belgrade. Meat, dairy products, staples like flour and sugar, and seasonal fruits and vegetables are available throughout the year. Processed foods (i.e., macaroni and cheese in a box, microwave popcorn) are starting to be seen here, but not necessarily the recognized types or brands. Ethnic foods and typically American foods like chocolate chips and peanut butter are also increasingly available.

There are many "hyper markets" or large chain grocery stores in Belgrade.

Mercator, Slovenia's largest retail chain, opened a store in 2003. It has a wide selection of merchandise with 80 percent of the supermarket products offered either of Slovenian and Serbian make, while foreign products account for the remaining 20 percent. Mercator also offers CDs, home items (i.e. wrapping paper, gift bags, school supplies), kitchen supplies and small appliances, along with a large beer & wine selection.

Super Vero, a Greek chain, also opened in 2003, and has two locations. Although not as big as Mercator, it has a good selection of fruits and vegetables.

Another large grocery store, *Rodic-Mega Market* has the local or European equivalent of staples and some luxury items.

Other large grocery stores include *Metro, Tempo*, and *Idea*. Metro is very similar to Costco or Sam's Club in the U.S. in the sense that you can purchase things in bulk amounts. You'll also see, in addition to food, electronic equipment, clothing, home furnishings, gardening tools, etc.

One of the highlights of shopping in Belgrade are the wonderful outdoor green markets. Fresh fruits and vegetables are available in season at low prices. During the summer, strawberries are available for less than a dollar a kilo. There are markets throughout town, and they are open daily. Although the markets are open all year, produce selection drops during the colder months.

CLOTHING

Clothing needs are similar to those for Washington, DC or New York City. Wardrobes should include clothing for cold winters and hot summers. As with food, more and more western European goods are available for purchase in Belgrade. Clothing for adults can be purchased locally and at times can be a good buy. A number of local chains have stylish merchandise available at reasonable prices, including fashionable leather items. Imported name brands, i.e. Hugo Boss, Versace, etc., are available but they are generally more expensive than in the U.S.

Supplies and Services

Most supplies for personal or household use are available locally. As with all shopping in Belgrade, it can take quite a bit of searching to find exactly the item you want. Although U.S. brands of toiletries, detergents and cleaning supplies are beginning to appear, equivalent local brands are satisfactory and generally inexpensive. Paper and plastic products (paper towels, napkins, wrapping paper, and plastic wrap) are available and inexpensive but the quality is not what you would expect to see in the U.S. There are a few English-language bookstores in Belgrade; some offer children's books. Prices for good quality toys can be higher than in the U.S.

Basic Services

Most basic services are available in Belgrade. Dry cleaning is available and adequate, with prices similar to the U.S. Inexpensive barbers and hairdressers are plentiful. Beauty salons and the services, including manicures, facials, etc., are inexpensive. Repair services are of good quality and inexpensive.

Religious Activities

Most churches in Belgrade are Serbian Orthodox; there are also Roman Catholic, Russian Orthodox, Adventist, Nazarene, Baptist, and Anglican churches, a Mosque and a Synagogue. English-language Anglican, Catholic, Baptist and Pentecostal services are available.

EDUCATION

Dependent Education

The International School of Belgrade (ISB) (ww.isb.co.yu/index.php) was founded in downtown Belgrade in 1948. It is now located in Senjak, a residential area. ISB is an independent, non-profit, co-educational day school with three campuses. A U.S. Government-supported school, ISB offers classes from preschool (age three) through grade 12. The school is accredited by both the New England Association of Schools and Colleges and the European Council of International Schools. It follows a curriculum based on the highly regarded International

Currently, 350 students representing 40 nationalities attend the school. Special education services are not available at the school. The school is run by a board of seven members, three appointed by the U.S. Ambassador and four elected by the ISB Association (students/parents and/or guardians) - two Americans and two non-Americans. The director and several teachers are U.S.-trained and recruited. Most students are from the diplomatic, international and business communities. Space is limited by the constraints of the current facilities.

An alternate smaller grammar school also exists. The Chartwell School (www.cobisec.org/chartwell school.htm, and www.chartwellinternational.org), offers classes to children age 2-grade 8, including remedial, gifted and ESL classes. The school is growing rapidly, and is a non-profit institution, owned and run by parents.

There are three high schools: the Anglo-American High School (www.aplus.edu.yu) has approximately 15 students. Other high schools are the Britannica International School

(<u>www.britinterschool.com/index.htm</u>), British International School (<u>www.british-int-school.org.uk</u>) and International High School of Belgrade (<u>www.ihsb.co.yu</u>).

The International Nursery School of Belgrade (www.insb.co.yu) is another option for preprimary English-language education. Students range in age from 15 months-7 years. School hours are from 8 am-1:00 p.m.

RECREATION AND SOCIAL LIFE

A very popular location in town, Ada Ciganlija, or Gypsy Island, has a long pebble beach and pedestrian walkway, lined by cafes and ice cream vendors. This island also has many sports facilities, including paths for biking, roller-blading, fields for soccer, baseball, volleyball, tennis courts, basketball courts, miniature golf. There is a rock-climbing wall, a water slide, and a water-skiing club. Elsewhere along the river there are sailing clubs, rowing clubs, and scuba diving clubs. Horseback riding is possible at local stables. Many people take advantage of the walking and running trails in a forested park area called Kocutnjak, where there are also many picnic tables with barbeque grills.

There are many opportunities for sightseeing in Serbia. Monasteries, an artist colony and places of natural beauty or historical significance are the main travel options.

Belgrade is rich in cultural activities, featuring art/photo exhibits, ballet, concerts, theater, and symphony. Prices are very reasonable by U.S. standards. Movies are available in modern theaters. U.S. movies are shown in English with Serbian subtitles, and are usually available within a month or two of its U.S. release.

NOTES FOR TRAVELERS

There are no direct flights from the United States to Belgrade. A majority of visitors travel to Munich on an American or code-share carrier and then to proceed to Belgrade on Lufthansa. Transits points other than Munich are Frankfurt, London, Milan, Paris, and Zurich. These transit points are serviced by American flag carrier code-share programs.

CURRENCY, BANKING, AND WEIGHTS AND MEASURES

The official currency in Serbia is the dinar (RSD). There are 100 para to one dinar. There are paper notes of 10, 20, 50, 100, 1000 and 5000, and coins of 1, 2, 5, 10, and 20 dinars. The exchange rate as of December 2007 was approximately 83 dinars to US\$1.00. Prices for contracted services are sometimes quoted in Euros.

U.S. dollars can be exchanged at local banks or exchange offices in the city.

Credit cards are accepted in larger stores and restaurants, though smaller shops and markets and some restaurants accept cash only. ATMs are available.

The metric system of weights and measures is used in Serbia. Temperature is measured in centigrade.

RECOMMENDED READING

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Web sites of Interest

Serbia's official web site: www.srbija.gov.rs

Fact about Serbia: http://www.gotoserbia.en/serbia facts

Serbia in Your Pocket: http://www.inyourpocket.com/serbia

City of Belgrade: http://www.beograd.rs/cms

U.S. Embassy Belgrade: http://serbia.usembassy.gov

Tourist Organization of Serbia: http://www.serbia-tourism.org/index e.php

Serbia in Your Hands: http://www.serbiainyourhands.com/